

# **SOCIALIST STUDIES**

**No. 42 Winter 2001**

**SOCIALIST MOVEMENT**

**THERE IS A SOCIALIST ALTERNATIVE**

**UNDERSTANDING MARXIAN ECONOMICS**

**DE LEON: A REPLY**

**SLP: A REPLY**

**THE LABOUR PARTY: A REPLY**

**CRISIS, RECESSION AND POLITICS**

**SPGB: STATEMENT ON TERRORISM AND WAR**

**OFFICIAL JOURNAL OF  
THE SOCIALIST PARTY  
OF GREAT BRITAIN**

Communications to: General Secretary,  
71 Ashbourne Court, Woodside Park Road, London N12 8SB

## **SOCIALISM NEEDS YOU! AND YOU NEED SOCIALISM!**

### **The Problem**

Without Socialists there can be no Socialist political organisation and no Socialism. The Socialist Party of Great Britain needs members in order to carry out Party work. We need writers, speakers and distributors of our journal, *Socialist Studies*, and other Party literature. We need committed Socialists who reject capitalism and accept the urgent need for a new society based upon production for direct social use, not for profit. And we need members who accept and will be prepared to defend the SPGB's Object and Declaration of Principles.

### **The Solution**

The solution is simple. If you agree with our analysis of capitalism, the Socialist objective and the political means required to establish common ownership and democratic control of the means of production and distribution by all of society, then you are already a Socialist. But individual Socialists cannot alone make a marked impact upon Capitalism. The struggle for Socialism has to be an organised one and this requires collective action by the working class.

This is why a Socialist political party is vitally important. It focuses attention on the class struggle and enables workers to act with unity and strength. If you are a Socialist then the first step is to join the Socialist Party of Great Britain. We are not a sect or a cult. There are no intellectuals in the Party, only intelligent men and women who share the same class interests, Socialist ideas and Socialist objective. However, we only want members who agree with the Socialist case and if you do agree with us then we want you as a member.

### **What Next?**

If you agree with the Socialist case then the next step is to apply for membership. We have no leaders. No one will tell you what to do and to think. All we expect is political commitment and enthusiasm to work with other Socialists to achieve the establishment of Socialism. Joining the Socialist Party of Great Britain will be the single most important political decision you will make. One more Socialist is one less worker voting for capitalist parties like Labour, the Conservatives and the Liberal Democrats. A Socialist party with a growing membership will make an increasing impact on the political class struggle. If you want a world without unemployment, exploitation, war, poverty, discomfort and inequality you should seriously consider joining us. **ALL ENQUIRIES AND APPLICATIONS FOR MEMBERSHIP** to The Socialist Party of Great Britain, 71 Ashbourne Court, Woodside Park Road, London N12 8SB.

## SOCIALIST MOVEMENT

When the Socialist Party of Great Britain was formed in 1904, and reconstituted in June 1991, the members agreed upon an Object and a set of Principles that guide the Party. Adherence to these principles has prevented the Party from losing its way, as so many have done who professed to be Socialists, in the search for remedies to solve problems that are insoluble while capitalism lasts.

When the Labour Party was formed in 1906, saddled with a reformist programme, it was greeted as the harbinger of social change and its supporters were convinced that it would not desert the class struggle. We contended that reformism would kill any aspirations for Socialism that might be possessed by some of its early members. Events have proved us right. Its members have departed so far from the ideas of some of its founders as to argue that all Labour now exists for is to run capitalism better than the Tories.

When the Russian upheaval occurred in 1917 the radical parties welcomed it as a Socialist revolution. We pointed out at the time that Socialism was not then possible in Russia because the mass of people neither understood what Socialism implied nor wanted it. All they wanted was peace, bread and land, and this was an insurmountable barrier to those Bolsheviks who genuinely desired to establish a new system. It drove them instead to build up a capitalist state and a dictatorship over the proletariat. Again history has proved that we were correct in the assessment we made upon our principles.

In the two world wars we pointed out that all modern wars are capitalist wars, and as such did not justify the shedding of working class blood on the battlefields. That they should be of no concern to the workers no matter with



what idealist sentiments either side cloaked their real aims. That the only way to abolish wars was to abolish the conditions that gave rise to them, the buying and selling system that was behind the pursuit of markets, trade routes and sources of supply. We sent out our Manifestoes to workers in the belligerent countries stating that we had no quarrel with the workers of any nation and pledging ourselves to work for the establishment of Socialism.

We accept the fact that there is a class struggle in society - but that its solution lies in the hands of the workers to take political action for the establishment of Socialism when they understand and want it. Consequently we have put forward candidates in parliamentary and local elections for the purpose of taking control out of the hands of the capitalist class in order to clear the way for the establishment of Socialism.

We hold that all people in the world, regardless of colour or nationality, are capable of understanding Socialism and its implications. There is no fundamental difference in mental capacity of different groups of people, only differences in their stages of social development - which has nothing to do with a difference in mental capacity. On this, as on other aspects of our attitude, we have published pamphlets explaining our outlook.

We are a Marxian party. That is to say, we base our outlook on history and economics on the theoretical researches of Karl Marx. On the basis of Marxian economics we have pointed out that there is no solution for booms and slumps as long as capitalism lasts. Booms and slumps are inevitable products of capitalism and will always be part of it. On the basis of the same principles we have shown that the huge rise in prices since the thirties have not been due to rises in workers' pay, but have mainly been due to the devaluation of the currency. This in spite of the new machinery and methods introduced which were to cheapen costs of production.

We have always insisted on the capture of political power before any fundamental change in the social system can be achieved. Political power is the centre of class rule, though the worker places his power in the capitalists' hands at election times. But no fundamental change is possible until the majority understand and want it. We have also been opposed to reform policies and have kept unswervingly to the pursuit of Socialism as our sole objective.

Finally, just as capitalism has spread all over the world, bringing similar conditions of frustration, poverty and insecurity to all peoples, so also the seeds of discontent and the yearning for something better has become a part of life everywhere. Unfortunately this discontent takes wrong turnings and has led to riots, like the anti-capitalist riots of recent years, of violent and non-violent direct action, of appeals to reforms and charity. The solution is the same everywhere, for Socialism is an international movement involving the workers of the world, whatever their colour. It is not possible to establish Socialism in one country alone.

Socialists have no allegiance to the country in which we find ourselves. Socialists only have an allegiance to the interests of our class which transcends national boundaries and which has a shared interest in the replacement of world capitalism with world Socialism.

#### **Recession and depression?**

Economists do not like using the word "*depression*". However, as President Truman put it, "*it's a recession when your neighbour loses his job; it's a depression when you lose your own*".

## THERE IS A SOCIALIST ALTERNATIVE

"*There is no alternative*" claimed Margaret Thatcher in the 1980's. Tony Blair agrees. Labour is all for competition, buying and selling and profit. According to Labour we live in the best of all possible worlds. We are told capitalism is the answer. It is the only framework in which we can live our lives. There is no practical alternative to commodity production and exchange for profit. Capitalism will last forever. All alternatives lead to gulags, to inefficiency and to totalitarianism. Socialism is dead. Marxism has been refuted by experience. And the working class has been bought off by a diet of quiz shows, celebrities, soap operas, commercial sport, pop music and pornography. Embrace the market. Enjoy.

Is this correct? Is there no alternative to capitalism? Is the working class destined for eternal mediocrity? A cynic would say that an optimist is someone who believes that we live in the best of all possible worlds and a pessimist is someone who is afraid the optimist might just be right. However, Socialists are not cynics. When we are told that there is no alternative and that capitalism is the only answer we say that it must have been a bloody stupid question.

What intellectual status is there to the assertion that there is no alternative to capitalism? It is conservative to the core, the highest form of ignorance and the lowest form of thought. A dogmatic certainty. Doctrinal and unimaginative. Were humankind to be so timid they would have never left the trees.

It is the human condition to question, experiment and consider different alternatives. This applies to all areas of human life. Consider physics. A student was asked the question: "*Describe how to determine the height of a skyscraper with a barometer*". The student replied: "*Tie a long piece of string to the barometer, then lower it from the roof to the ground. The length of the string plus the length of the barometer will equal the height of the building*".

An examiner judged that the answer was correct, but did not display any knowledge of physics. So the student was allowed six minutes in which to provide a verbal answer. For five minutes he sat in silence, unable to decide which answer to use. On being advised to hurry up, the student replied: *"You could drop the barometer from the roof and measure the time it takes to reach the ground. The height then can be worked out from a known formula. But bad luck on the barometer."*

*"Or if the sun is shining you could measure the height of the barometer, then the length of its shadow. Then you measure the length of the skyscraper's shadow. Thereafter, it is a simple matter of proportional arithmetic to work out its height."*

*"If you wanted to be highly scientific, you could swing the barometer like a pendulum, first at ground level and then on the skyscraper's roof. The height is worked out by the difference in the gravitational restoring force."*

*"If you merely wanted the orthodox, of course, you could use the barometer to measure the air pressure on the roof and on the ground, and convert the difference in millibars into feet to give the height of the building."*

*"But undoubtedly the best way would be to knock on the janitor's door and say to him 'I will give you a nice new barometer if you tell me the height of this skyscraper'."*

The student was the Nobel physicist, Niels Bohr.

This story illustrates the ingenuity of practical problem solving and the alternatives that are open to creative and imaginative thought. Socialists see in the Socialist alternative to capitalism an equally creative leap of the imagination to the solution of practical problems facing the working class.



What we are saying is that production and distribution could take place just to meet human needs. The means of production could be held in common to allow people to directly gain access to what they need to live and develop as human beings. And the means of production could be held under democratic control to allow all society to determine what is produced, and under what conditions.

There is an alternative to capitalism: Socialism. In denying alternatives, in denying the possibility of change, the politics of both Labour and the Tories are reminiscent of the 17th century Inquisition who denied any alternative to Aristotelian physics in order to preserve their own theological world view. In the end an alternative physics did take hold and change did occur despite conservative dogmatism and theological ignorance about the real forces acting upon the world. The establishment of Socialism will be a similar process.

#### **Human nature - or social behaviour?**

... What people think and how they act is not the result of fundamental ineradicable instincts, but is the result of customs, regulations and inhibitions that spring from the social environment in which people of succeeding centuries have had to solve the problem of living. In other words, that people are able to think and act is a fact of biological and social development, but how they think and act is the result of social conditions. Since private property came into existence, the pursuit of riches has bred murder, cruelty, fraud, enmity and other anti-social behaviour (p 83).

The selfish, cruel, anti-social conduct that is laid at the door of human nature is really only conduct that is the outcome of systems based on private property, which compel people to engage in predatory conduct in order to survive ...

Once class monopoly is abolished and replaced by the common ownership of the means of living, that is, when all that is in and on the earth becomes the common possession of all mankind, people will willingly co-operate in harmonious association for their mutual benefit just because it is 'human nature' to seek that which contributes to personal wellbeing.

SPGB, *Questions of the Day*, 1969 edition, p 85



## UNDERSTANDING MARXIAN ECONOMICS

Some readers of Socialist Studies have commented upon our remarks about the abysmal level of Marxian economics to be found in the old Socialist Party of Great Britain before Camden and North West London branches were expelled in May 1991. The SPGB used to be known and admired for the soundness of its economics but by the mid-1960's standards began to slip and by the early 1980's they were in free fall.

In an attempt to stem this trend within the old SPGB Camden branch produced a paper "**Notes on Inflation and Deflation**" which was sent to the Executive Committee, all branches and groups in August 1981. The statement was adopted by the branch at its meeting on 20th August. We produce the document below not only as a historical record but also because of the contemporary validity of its contents.

### **Notes on inflation and deflation**

1. These notes have been prepared to correct a number of misconceptions about inflation and deflation, some of which have appeared in the "*Socialist Standard*".

One reason why it is necessary to understand and deal with this issue is that inflation as a supposed method of abolishing unemployment and depressions, is advocated by Labour governments. At one time it was advocated openly as a policy of printing paper money. (See *Socialist Standard* August 1906). Now it is disguised as Keynesian "*expansionism*".

2. **Marx's explanation of inflation (and deflation)**

Marx's proposition was that if a gold currency (or a currency convertible

into gold at fixed rates) is replaced by inconvertible paper money, and if the amount of paper money is increased so that it exceeds the amount of gold or convertible notes it replaces, prices will rise.

*"If the quantity of paper money issued is for instance, double what it ought to be ... the values previously expressed by the price £1 will now be expressed by the price £2."*

**Capital Vol I**, Allen and Unwin edition, page 108

(Conversely, if the quantity of paper money is reduced to half the amount of gold it replaces prices will be halved - deflation.)

It is important to bear in mind that the amount of gold (or convertible paper money) that would circulate is not a fixed amount. It would, for example, increase with an increase in the volume of production.

Also inflation and deflation are not the only factors affecting prices. Prices rise in booms and fall in depressions. It should therefore not be assumed that an increase or decrease in the amount of inconvertible paper money necessarily causes a proportional rise or fall of prices. (Marx's example quoted above was based on the assumption that all other factors remained unchanged.)

### 3. The gold standard

The gold standard prevents rises and falls of the price level due to inflation and deflation because it keeps the paper money tied to the amount of gold into which it is convertible, the conversion rate being fixed by law.

Under the British gold standard before 1914 and again from 1925 to 1931, the fixed conversion rate made the paper pound equal to about 1/4 oz of gold.

If the market price of gold, here or abroad, rose above the conversion rate the holders of notes could gain by demanding gold from the Bank of England in return for the notes. If the market price of gold fell below the conversion rate, the holders of gold would gain by demanding notes in return for the gold.

The (relatively small) deviations were in consequence continually corrected and the notes kept fairly closely in line with gold.

It was only the big dealers (bullion merchants, importers and exporters etc) who were in a position to profit by converting gold into notes or notes into gold, and the effective transactions were therefore in large amounts (gold bars). There was no way in which the holders of small amounts could in practice profit by conversion.

#### 4. Gold reserves

While the pre-1914 gold standard included the maintenance of a gold reserve in the vaults of the Bank of England it is not the size of the reserve that matters. (Before 1914 it was never large enough to cover the whole issue of Bank of England notes.)

Under the gold standard, inflation (an excess issue of notes) was prevented both by convertibility and by the obligation of the Bank of England if it issued notes above a certain amount to add an equal amount of gold to its reserve.

If neither restriction is in operation the existence of a gold reserve is completely irrelevant. It leaves the government free to go in for a continuous increase of the note issue as from 1938 to date (inflation) or to go in for an arbitrary reduction of the note issue, as from 1920 to 1925 (deflation).



But it is equally free under these conditions to avoid both inflation and deflation if it wishes to do so.

**5. The error that the gold standard is Deflationary**

*("When prices are falling as they did on the gold standard in the twenties ...")*

The gold standard helps to stabilise the price level. It is neither inflationary nor deflationary. After 63 years of its operation, 1850 to 1913, the price level was marginally higher (3%).

In the whole period 1925-1931, when it was again in operation, prices fell by 16%, but the bulk of this fall was due to the onset of depression in 1930. Between May 1925 and December 1929 prices fell by only 3%.

The great fall in prices in the twenties was not after the return to the gold standard but before the return to gold in May 1925. From the peak of prices in November 1920 to May 1925 prices fell by 37%. The return to gold ended the deflationary fall of prices.

**6. The error that deflation reduces purchasing power**

*("Deflation Disaster")*

The effect of deflation is to reduce all prices, including the price of labour-power (wages). While it reduces money wages it also reduces the price of what the workers buy. The workers receive fewer pounds but each pound buys more.

If in a period of deflation wages fall by more than prices this is not caused by deflation but by the state of the labour market and the workers' power to resist employers' pressure.

During deflation (1920-1925) average wages fell by 37% and average prices by 36%. Was it really a "disaster" for real wages to fall by 2.5% in the pound? And by 1927 prices had fallen by rather more than wages, so real wages were slightly higher than in 1920.

Ninety per cent of all the wage reductions after World War I were during deflation when prices were falling, not after the return to gold in 1925.

As regards workers' purchasing power, the same is true of inflation, which raises all prices, including the price of labour-power (wages).

**7. The error that any increase of paper money is inflationary**  
(*"The remedy was more paper money - inflation"*)

The theory that any increase of paper money is inflationary is not Marx's theory and can easily be shown to be false.

Marx's theory is that an increase in the amount of paper money is inflationary only if it is in excess ie greater than the amount of gold (or convertible paper money) that would be in circulation if not replaced by paper money.

The gold standard, while it prevents an excess issue, does not prevent all increases of paper money. Between 1870 and 1913 Bank of England notes in circulation increased by more than 50%. It was not excessive because it reflected the increase of population and production.

When there is no gold standard to prevent an excess issue, an increase of the note issue is not excessive to the extent that it merely reflects a growth of production. The enormous increase of notes since 1938 is only to a small extent accounted for by an increase of production.

8. **That the 1925 gold standard was a fiction**

*("Under the gold standard notes were not convertible into gold.")*

This is untrue. Under the Gold Standard Act 1925 the Bank of England was bound to give, on demand, notes for gold at £3.17.10 1/2 an ounce and gold for notes at £3.17.9 an ounce, these being the same conversion rates as under the pre-1914 gold standard.

The only material difference was that under the 1925 Act conversion had to be in gold bars of 400 ozs (about £1,700). Before 1914 the bulk of the transactions were in bars or half-bars.

The 1925 Act also restored the unrestricted import and export of gold.

9. **That depressions are caused by deflation (or inflation)**

There is a Labour Party - Keynesian mythology that depressions are caused by deflation, and an opposite "*Thatcher*" mythology, that they are caused by inflation. In fact depressions occur whatever policy the government operates.



## DE LEON: A REPLY.

Dear Frank Girard

### Morris, De Leon and the Socialist Party of Great Britain

We have read in your magazine a letter by Laurens Otter that contains an assertion that Daniel De Leon influenced the Founders of the Socialist Party of Great Britain. He writes: "... *the SPGB was a dissident faction within the De Leonist tradition ...* " (**Discussion Bulletin**, Number 108, July-August 2001, p8). A similar claim appears in D Perrin's book, **"The Socialist Party of Great Britain: Politics, Economics and Britain's Oldest Political Party"**, in which the author writes, *"The views of the impossibilist American SLP undoubtedly had an influence on both the SPGB and the British SLP"* (p 31).

Perrin rests his assertion on Stephen Coleman's book: **Daniel De Leon** (1990) reviewed in the **Socialist Standard** of May 1990. No supporting primary source or textual evidence is given. With regards the SPGB the assertion that De Leon *"influenced"* the SPGB in the formation of the Party is factually and historically incorrect.

The **Socialist Standard** article in 1990, for example, referred to De Leon as *"an American Marxist"*. It was not made clear which *"Marxism"*. Was it the Marxism of the **Communist Manifesto** with its demand that *"The first step in the evolution by the working-class, is to raise the proletariat to the position of the ruling class to win the battle for democracy"*? Or the anti-political De Leon policy of the IWW?

Attempts have been made from time to time to get the Socialist Party of Great Britain to support industrial action as against parliamentary action, not by directly seeking to alter the Party's Declaration of Principles, but by giving it slanted interpretations, or by ignoring them.

One such attempt suggested that as the Declaration of Principles does not specifically mention Parliament and local councils it was not the intention of the founder members who drafted the D of P that the SPGB should aim at controlling Parliament and the local councils.

Another attempt argued that the SPGB's Declaration of Principles does not preclude "*extra-parliamentary*" actions for political aims, carried out by trade unions. Lately advocates of industrial action have been held up as models for Socialists, especially Daniel De Leon.

The aim and intentions of the founder members embodied in the Object and the Declaration of Principles were presented to non-members in the first issue of the **Socialist Standard**, September 1904, in the article "*The Socialist Party of Great Britain*" (approved by the Executive Committee before publication), and in the **SPGB Manifesto** (June 1905). Proposals arising from a series of meetings on trade unions to amend the statements on trade unions made in the **Manifesto** were defeated by Party Poll (see **Socialist Standard**, April 1907).

The statement in the **Socialist Standard**, September 1904, made several references to the need to gain control of Parliament and local councils.

One of these statements wrote of "*the members of the working class using their political power to return to Parliament and other public bodies only those who are members of the Socialist Party*".

There was no support for the strike as a means to political power or those who advocated it, such as William Morris.

The statement emphasised the limited amount the trade unions could do in respect of raising wages. It argued therefore the necessity of political action, but the kind of political action needed by the workers was precisely defined:

*"Such political action, will, however, be quite futile unless carried on by a class-conscious party with definite aims ... They must adopt as their basis of action the Socialist position, for in no other way can their ills be redressed."*

In 1907 the SPGB's Executive Committee published as a pamphlet, "*Art, Labour and Socialism*", an article by William Morris that had appeared in the journal **To-day**.

The Executive Committee's **Forward** to the pamphlet explained that they were not among those "*to whom William Morris stands in the relation of Moses to the Israelites*". They recognised that Morris was not always a "*convincing and consistent instructor of economics*". But this article deserved to be rescued from undeserved obscurity because in it Morris had "*placed Art in proper perspective*" and did effective service by insisting on an active working class revolt against capitalism.

The members of the Executive Committee would have been familiar with Morris's opposition to parliamentary action and his belief in the general strike as a means to establish Socialism; which alone would have prevented their giving Morris support for his views on socialist policies.

We now come to De Leon and the Socialist Party of Great Britain.

Founder members of the Socialist Party of Great Britain were familiar with De Leon's theories because, a year before the SPGB was formed, other ex-members of the Social Democratic Federation, mainly in Scotland, founded the SLP in this country, based on the American party of the same name, and used pamphlets and other works by De Leon in their propaganda.

Right from the start the SPGB opposed De Leon and the SLP. Our Object and Declaration of Principles owed nothing to De Leon and the SLP.



What the SPGB owed to Marx; his materialist conception of history, his Labour Theory of Value and his political concept of the class struggle, the members obtained direct. Works about Marxism (**The Student's Marx** by Edward Aveling 1891) and some of Marx's pamphlets notably, "*Wage Labour and Capital*" had long been available and the first English edition of **Capital**, the Glaister edition, had been published in 1886. Some members had attended the economic classes run by Dr Aveling, Marx's son-in-law.

Among the early issues of the **Socialist Standard** containing criticisms of De Leon, his theories, and the SLP are the editions of August 1906, October and November 1906, and April 1907. A lengthy criticism was published in the 1911 Preface to the 5th edition of the SPGB **Manifesto**.

So what did De Leon stand for? It should present no problem because De Leon often told his devotees what his thoughts were. The trouble was that he contradicted himself. Here is a selection published in a critical review of his works in the **Socialist Standard** of November 1930.

In 1895 De Leon helped to form the Socialist Trade and Labour Alliance. The Declaration of Principles of this Alliance said:

*"The economic power of the capitalist class, used by that class for the oppression of labour, rests upon institutions essentially political."*

In his pamphlet "*What Means this Strike?*" De Leon wrote:

*"Shop organisation alone, unbacked by that political force that threatens the capitalist class with extinction, the working class being the immense majority, leaves the workers wholly unprotected."*

In "*Two pages From Roman History*" (1903) De Leon was still standing by political organisation. He wrote:

*"Entrenched in the public powers, the capitalist class command the field. None but the political weapon can dislodge the usurpers and enthrone the working-class; that is to say, emancipate the workers and rear the Socialist Republic."*

But when De Leon backed the International Workers of the World, he reversed his position. In his address *"The Preambles of the IWW"*, he said:

*"It does not lie in a political organisation, that is, a party, "to take hold" of the machinery of production."*

and

*"In the act, however, of taking and holding the Nation's plants of production the political organisation of the working-class can give no help."*

In his speech at the first convention of the IWW, De Leon said:

*"The situation in America ... established the fact that "taking and holding" of the things that labour needs to be free can never depend upon a political party."*

One of the arguments used by De Leon in support of his anti-political policy was the allegation that Karl Marx had said, *"Only the Trade Union is capable of setting on foot a true political party of labour and this raises a bulwark against the power of capital"*.

Repeatedly challenged to say where and when Marx made this statement neither De Leon nor the SLP could give an answer (see *Socialist Standard*, January 1930).

That Marx ever said something so out of keeping with his insistence on the need for the working class to take political action is highly improbable. If he did say it he was plainly wrong, for the SPGB was not formed by trade unions.

In the past we have asked Mr Otter to show us the evidence he has of the SPGB being influenced by De Leon. Where are his primary sources? He has never produced any proof to support his assertion. The documents of the Party dating from 1904 when the SPGB was established show this not to be the case.

The claim by Otter, Coleman and now Perrin that De Leon influenced the SPGB founder members implies either the claim that De Leon supported political organisation - the method advocated by the SPGB in its Declaration of Principles (Clauses 6, 7 and 8), or, alternatively, that the SPGB supported industrial unionism - which clearly is not the case and never has been. Indeed, the Party repeatedly referred to this as an "*anarchistic deviation*".

#### **Anarchism or the Class Struggle?**

Every class struggle is a political struggle. Whosoever repudiates the political struggle by this very act, gives up all part and lot in the class-struggle. And so it was with Proudhon. From the beginning of the Revolution of 1848 he preached the reconciliation of classes ... (e.g.) "*The social question is there ... To solve it we must have men who combine extreme Radicalism of mind with extreme Conservatism of mind. Workers, hold out your hands to your employers ...*"

Plekhanov, **Anarchism and Socialism**, Kerr edition, pp 62-3



## THE SLP: A REPLY

Dear Mr Plant,

Cyril May, General Secretary of the Socialist Party of Great Britain, has given your letter to the Editorial Committee for a reply. Obviously your letter is too long for publication in **Socialist Studies** but we hope our reply covers the issues you raise.

In your letter you raise two points: first, the description of the US magazine, **Discussion Bulletin**, as an anarchist publication and, second, the impression given by an article in **Socialist Studies No 3** that the Socialist Labour Party of America continued with reforms or immediate demands when, in fact, the 10th National Convention in 1900 removed them from the SLP's programme.

### 1. **Discussion Bulletin**

We are aware of the De Leonist background of **Discussion Bulletin** and of the various groups who appear on its pages. However, the legitimate question we ask of these organisations is what are they there for to discuss? As you rightly say, it is not the Socialism advocated by the Socialist Party of Great Britain with its stress on conscious political action by a Socialist majority through parliament to capture the machinery of government.

The majority of the groups either cited in **Discussion Bulletin** or who take part in discussion on its pages are supporters of various forms of direct action, including the Clapham Socialist Party with its new idea of "*imaginative non-violent direct action*", whatever that means.

We also draw your attention to the statement on the inside front cover of **Discussion Bulletin** which officially declares that: "*the DB is affiliated with*

*the Industrial Union Caucus in Education*" and that it is a forum for "the real revolutionaries of our era: the non-market, non-statist, libertarian socialists". Anti-statist is an anarchist/Bakunist slur on Marxism, and libertarian is simply a modern term for anarchist.

The SPGB has long commented and criticised various forms of direct action. In an article, *Marx, Lenin and Direct Action*, we said that:

*"The SLP position led logically to Anarchism, for if politics was a shadow and a reflex only, as they claimed, and if the real power lay in the industrial field, why bother with shadows, and why not go in for the substance of economic action. And that is just what happened." (The Socialist Standard, November 1930.)*

Three months later another article, "Industrial Unionism", appeared in the **Socialist Standard**. The article reviewed a 19-page letter from a Mr Clausen, an ex-Socialist Labour Party member criticising the SLP's political "gymnastics". The article in the SS (January 1931), among other things, commented on:

*"De Leon's anarchistic utterance that the emancipation of the workers must be achieved by workers "Through an economic organisation of the working class without affiliation with any political party". (The quotation is from Mr Clausen's letter.)*

The writers in **Socialist Studies** who referred to **Discussion Bulletin** as an anarchist journal, therefore, were writing in the tradition of the Party that saw the logic of the De Leonist/SLP position as that of being indistinguishable from anarchist programmes of direct action. Both articles are enclosed for your information.

## 2. The Socialist Labour Party

With regard to the article in Socialist Studies No 3, you misunderstand the background in which it was written.

The Clapham-based Socialist Party published an article in their party publication (August 1991) that referred to the SLP as "*political cousins*" of the SPGB. "*Cousins*" refers to the respective offspring of brothers and sisters of common parentage.

As a metaphor this is used to try to establish the point that the SLP and the SPGB, from the start, had much in common - implying that an alliance could be established now.

This we dispute. As a historical fact, when the SLP was established in Britain in 1903, it adopted a list of "*immediate demands*" (*The Socialist*, July 1903). The following year, when the SPGB was founded, the SPGB rejected that reformist line (see *SPGB Manifesto*, preface to fifth edition, 1911, p 5).

The issue has been resurrected by the Clapham-based Socialist Party, as they seek to legitimise their rejection of the SPGB's position and move towards alliances with libertarian and direct action groups (see *Non Market Socialism in the Nineteenth and Twentieth Centuries*, ed M Rubel and J Crump, pp 48-53). To achieve this, they are having to re-write the Party's history, and deny the fact that, from the start, the SPGB opposed the SLP for its reformism and later, for its industrial unionism.

The key point at issue is (and was) the De Leonist and SLP insistence on industrial unionism rather than class-conscious, democratic political action as advocated by the SPGB from 1904 onwards.

De Leon's legacy has been conveniently summed up by Frank Girard (DB 108). He writes:

*The revolution will be carried out by the mass organization of the working class - the socialist industrial unions, which will enforce the victory at the polls by the real revolution, the occupation of the workplaces and their conversion into social property ... As the IWW put it, "We will build the new society in the shell of the old". And as the SLP slogan of the 1930's and 1940's, put it, "All power to the Socialist Industrial Union" (pp 28-29).*

The point of the article in **Socialist Studies** was to point out indicate that when the SLP was established it did have a reform programme prefixed to its object but when the SPGB was established in 1904 it did not. So how could they be cousins? The unique revolutionary characteristic about the SPGB in 1904 was that we drew up an Object and Declaration of Principles that aimed at Socialism and nothing but Socialism.

Another criticism of the SLP and De Leon was their insistence that Marx had given textual support to industrial unionism. The SPGB constantly asked the SLP for evidence of where Marx gave his support (see *The Socialist Labour Party Runs Away*, **Socialist Standard**, January 1930). We are still waiting for the evidence.

The SPGB, at its formation in 1904 was highly critical of the Socialist Labour Party and early **Socialist Standards** carried articles opposing Industrial Unionism. The SLP was also criticised in the SPGB's **Manifesto** (second edition 1911, page 6). In the passage quoted in **Socialist Studies** No 3 the criticism levelled against the SLP is not at their immediate demand programme but at their strategy of direct action, which, incidentally, is described as "*an Anarchist deviation*".



The author of the article in **Socialist Studies No 3** also quotes from **A Handbook of Socialism** by W D P Bliss, written in 1907. It is in this book that the 1896 Socialist Labour National Platform with its immediate demands is cited. Unlike the SLP in Scotland who dropped their "*social and political demands*" after 1904 under pressure from the Socialist Party of Great Britain, the Socialist Labour Party in the US continued their *demands* for another four years until 1900.

We are well aware of the SLP's history. There was no attempt to deceive. Perhaps, in retrospect, the time frames in which the writer was discussing the two parties could have been more explicitly stated. However, the issue addressed by the article was not the history of the SLP but to show that there was no kinship between the SLP and the SPGB.

#### **Political action**

The attitude of the Socialist Party of Great Britain on the need to gain control of the political machinery has been logical and consistent. We hold the same view as Marx as to the necessity of the workers gaining control of the machinery of government before they can establish Socialism. We also hold Marx's view that in the industrially advanced countries the Vote will give that control. The one way to prevent the capitalists from using political power against the workers is to refrain from voting them and their agents into political power. Accordingly we have always urged the workers not to vote for any candidate who is a supporter of capitalism.

**Parliament. Questions of the Day, p 14**

## THE LABOUR PARTY: A REPLY

A student, Michael Wainwright, has sent us an email in which he says:

*"Of course I believe strongly in the socialist goals which are integral aims for a more equal and socially responsible society, however, the means which your party suggests are outdated and lack the promotion of all cultures and 'classes' having their say through democratic means.*

*I also disagree with your argument that social democracy cannot achieve the goals of socialism. I would argue the goals can be achieved with the doctrine of social democratic gradualism. As a young Labour supporter undoubtedly I have felt let down by some of Labour's policies through their endeavour to gain the middle ground. My skeletal argument is simple, the only way to achieve the desirable goals of an egalitarian society is through the gradual democratic process and primarily, political power in order to reform and bring about change. The fact is, your socialist organisation should be getting involved with Labour and promoting your socialist ideas and principles through membership with local policy forums, perhaps even stand for Council or general elections. By staying distinct from democratic politics you are robbing yourself of the chance to achieve the socialist goals which many Labour supporters strongly believe in as it is written in the Labour constitution.*

*I totally respect the affiliated socialist parties of Great Britain and obviously globalisation will be an ongoing battle for myself and many other Labour supporters so why can't you join with Labour and have your say on Labour policy. It is parties such as yours that is ridding Labour of having true socialist goals as all the socialists seem to be leaving Labour and joining small Socialist Parties with no political power. To put it bluntly we need all the Socialist Parties to join Labour in order to democratically and gradually achieve our socialist goals."*

## Our reply to Michael Wainwright

You clearly see the Socialist Party of Great Britain as "*an outmoded undemocratic party*", and you assert that:

*"... the means which your party suggests are outdated and lack the promotion of all cultures and 'classes' having their say through democratic means".*

You seem to be confusing us with some other party. It may be that you have not troubled to read the SPGB's Declaration of Principles in which we spell out the means necessary to achieve Socialism. We do, in fact, insist that the election of Socialists to Parliament is the key to establishing democratic control over the machinery of government, essential if we are to be able to establish Socialism.

We have always operated as a democratic party - one whose policy is made by the membership and which has no leaders. As a matter of principle, we argue that Socialism cannot be brought about by a 'vanguard' party or imposed by a minority, as in Russia (1917). Such minority action can only result in dictatorship. Socialism will be democratic or it will not be Socialism. It can only be achieved democratically.

Moreover, we assert, as a matter of principle that:

*"... the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.*

*That this emancipation must be the work of the working class itself".*

This, we think, answers your mistaken allegation about our not including *"the promotion of all cultures and 'classes' having their say through democratic means"*. Your criticism of us on this point is very wide of the mark.

Incidentally, we note that you put *"classes"* in inverted commas. Does this mean that you do not understand how capitalism functions? Class differences do exist, in a real economic sense, as much now as they did in Marx's time.

By class, we do not mean relatively trivial, cultural and life-style differences. We mean the existence, world-wide, of an economic division between the majority who must sell their labour power in order to live and whose income comes from wages and salaries, as against the minority capitalist class who live off our unpaid labour, on income derived from their ownership of capital (land, mines, factories, shipping, airlines, supermarket chains, and other investments).

Like most students, when you finish studying, you will need to persuade some employer to offer you a job. If you work hard, you may be rewarded with promotion, possibly even become a manager. But, even as a manager, you would still be a member of the working class and could become 'redundant' if the business were to be 'restructured', 'down sized' or simply closed down. It would be a mistake to assume that hard work or qualifications would exempt you from capitalism's basic rule: *"no profit, no production"*. Right now, in Australia, where the average unemployment rate is under 7 per cent, over 10 per cent of graduates are unemployed (*New Scientist*, 1 September 2001).

You are not the first to appeal to us to pack up the struggle for Socialism and support the Labour Party in the mistaken belief that gradual reforms of capitalism would bring about Socialism. We disagree utterly.

Although, like many others, you are clearly unhappy with the Labour government's policies, you ask us to abandon the struggle for Socialism so as to prop up and sustain in power a party which has no interest in achieving



Socialism or even in doing what it was first set up for, ie protecting the interests of the unions.

As the capitalist system keeps on creating problems - depressions, wars, etc - there is always scope for fresh, or recycled, reform policies to attract votes from those who do not see that the cause of these problems is the capitalist system itself.

Policies of gradual reform cannot bring about Socialism. One generation of politicians argues for nationalisation, the next generation is for privatisation, but still there's a need for more change, more reform. With or without reforms, capitalism cannot be made to work in the interests of the working class, any more than water can be made naturally to run uphill.

Apparently you are prepared to battle against '*globalisation*'. In doing so, you would be tackling only the effects - not the cause, of the many problems thrown up by modern capitalism.

Actually, '*globalisation*' is just a new way to describe how capitalism has always tended to operate. Even in 1847-48, Marx and Engels noted this globalising tendency (**The Communist Manifesto**).

To sum up, these are the main issues on which we differ from you: your belief that reforming capitalism could bring about Socialism, your idea that the Labour Party could be transformed into a Socialist Party, and your assumption that - since we are a Socialist Party - we must be undemocratic. There is no evidence to back you on any of these points.

Of course, there are some issues - important ones - on which you are in agreement with us. We agree on the need to use the electoral system to achieve political power in order to establish Socialism. We also agree about the necessity of using democratic means: we are not, and never have been, a vanguardist party.

It is encouraging that you declare your support for "*a classless society*". This has yet to be achieved. It is therefore not "*outdated*" any more than we are "*undemocratic*" as you allege.

In our view, it is the Labour Party, still trying to reform capitalism, which has outdated policies. With its leadership deciding its policy, it can hardly claim to be democratic.

We do not regard Socialism as a Utopian ideal but as a practical matter of furthering working class economic and social interests. We urge you to understand how the class system works, to recognise your own position in that class system, and then to join with those of us who recognise that capitalism cannot be made to function in the interests of the working class. We need the active commitment and support of you and others like you, prepared to work democratically for world Socialism. We want to put an end to the wages system and class conflict, to exploitation, insecurity, poverty, unemployment and war. All these, and many more, are problems caused by the capitalist system and no amount of reforms would ever get rid of them.

The case for Socialism is real and urgent. It arises from the realities of life and death under capitalism, and the impossibility of solving capitalism's many problems by means of mere reforms. Above all, it is impossible to ignore the case for Socialism once you understand that the wages system is, in fact, a system of exploitation, which benefits a minority at the expense of the vast majority.

The choice you have is not, as you suppose, between peaceful, democratic reforms of capitalism as against violent, dictatorial '*Socialism*'. It is between capitalism which is violent, and often dictatorial, as against Socialism which can only be achieved democratically and which is the only way to end wars, civil wars and class conflict. You have a choice: ask yourself - does capitalism really deserve your support?

## CRISIS, RECESSION AND POLITICS

Gordon Brown chided the Tories for being the Party of *Boom and Bust*. Labour was to be different. They were to be the party of economic prudence, stability, and sustained economic growth. They were to be the party of the "enterprise culture".

Labour believed that it had its finger on the pulse of the economy. Ed Ball, free market monetarist advisor to Gordon Brown, had the theory, the Chancellor, the policy, and the Labour Government had the power to make capitalism work in the interests of all society. At CBI and City conferences Mr Brown would wax lyrical about the merits of "*exogenous growth theory*" which was supposed to prevent economic crises from taking place and if he didn't understand what the phrase meant then it is quite certain that his audience didn't understand what he was talking about either.

Capitalism took no notice of either Mr Ball or Mr Brown. Capitalism can only be run in the interests of the capitalist class. Even here the anarchy of commodity production and exchange for profit creates winners and losers, those who survive periodic crises and those who don't. Bankruptcy for the capitalists who fail to make a profit; unemployment for workers whose exploitation produces unsaleable commodities. Capitalist reality embarrassed the economic fantasy of the Treasury, the Chancellor and his superficial and economically illiterate advisors.

Capitalist commodity production and exchange for profit is without plan or order; it is anarchic. Each capitalist employer decides what and how much is to be produced, whether output should be increased, maintained or cut, whether a factory should be closed or a new factory built and set to work. The employer's decisions are guided by his ability or otherwise to sell his commodities at profitable prices in the future. Such order, as it exists in capitalism, is, therefore, the operation of the blind laws of the market, not the purposeful order of democratic planning which will be found in a future Socialist society.



Economic crises puncture the pretensions of politicians who believe they are in control. With industry after industry making job cuts Downing Street finally admitted in August of this year that the government recognised manufacturing faced "*difficulties*" because of the global economic slowdown, but stressed that the UK had a "*stable economic platform*".

Tony Blair's official spokesman went on to say:

*"As the Chancellor said recently in New York, no country can ever insulate itself from the global economy. But the measures we have put in place make us better placed to cope than in the past"* (**Independent**, 7 August 2001).

What are these "*measures*"? Blair's government is a proponent of what is called "Anglo-Saxon" economics, free market, free trade, neo-liberal capitalism as opposed to the more corporatist version found in European countries like Germany with its so-called "*Rhineland*" or "*social market*" capitalism. With a depression in the United States and one taking place in Germany, both forms of capitalism, united in the exploitation of wage labour and the pursuit of profits, are prone to exactly the same economic cyclical trade problems. Both forms of capitalism fail the working class.

Labour had foolishly believed that its economic policy of targeting inflation, giving independence to the Bank of England to determine interest rates and the imposition of a more flexible labour force would give British capitalism a greater competitive edge over its rivals and weather the economic storm. They were wrong. Labour's misguided belief that the Bank of England has reasonable control over the growth rate, the housing market and consumer spending in order to control booms and prevent depressions was shown to be wrong by the almost daily announcements of redundancies throughout the economy. Already the Treasury is downgrading its forecasts.



The measures of reducing interest rates have not helped stem the depression, halt the bankruptcies or stop the redundancies. Neither has the Keynesian injection of money into the economy. There were 3,789 company insolvencies in England and Wales in the second quarter of this year (DTI 2001), an increase of 2.6 per cent on the previous quarter and a rise of 9.3 per cent on the same period in 2000. Jobs are still being shed like leaves. There have been 80,000 jobs lost in manufacturing in three months (*Times*, 20 August 2001). The unemployed would no doubt be interested to know what explanation the Labour government has for the failure of its economic policies.

Politicians cannot control capitalism but capitalism controls politicians and ultimately destroys them. Of course every Chancellor says that crises are out of his control just as every Shadow Chancellor blames the government for the depression. The truth of the matter is that capitalism is anarchic, unstable and wholly unpredictable. Events happen; politicians follow.

Workers will not hear anything intelligible from capitalist politicians about the current depression in manufacturing or the economic problems of the world economy. Tony Blair's official spokesman did not tell us why the global economy was in such a parlous state. No explanation was given about the forces at work within commodity production and exchange for profit that cause these global economic disturbances. In reality, like every other capitalist country, Labour's "*stable economic platform*" rests on moving sand.

The metaphor of moving sand captures the movement of the trade cycle on which capitalist politics takes place. The economic crisis is abrupt with some capitalists quickly cutting production and desperately selling what commodities they can; or they will try to maintain prices by destroying stocks and making workers redundant. In a few months commodity production and exchange for profit will fall to a low level of activity. A period of stagnation follows - the "*depression*" - which can continue for months or as in the case of Japan for years. After some time, during which there are bankruptcies,

closed factories, high unemployment and low economic activity, the supply of commodities will have fallen below demand or new economic sectors come into being. Eventually production and employment does pick up again. The economy recovers. The cycle of boom and slump continues through to the next cycle. There is nothing politicians can do about it. Economic cycles only end with the abolition of capitalism and its replacement with Socialism.

#### **Question of the day**

Dictatorship in various forms exists ... basically because of the political immaturity of the working class all over the world. Instead of being united by world-wide class consciousness they are everywhere divided, divided between the nations, by religious, racial and other and other superstitions, divided also by the failure of many to appreciate the importance of democracy.

SPGB, **Questions of the Day**, 1969 edition, p 31

#### **Thought for the day**

But unfortunately there are many of the younger and of the more ignorant sort, who are inclined to take words for deeds, high-sounding phrases for acts, mere sound and fury for revolutionary activity, and who are too young or too ignorant to know that such sound and fury signify nothing.

Eleanor Marx Aveling, preface, 1895 to **Anarchism and Socialism**

## TRADE, TERROR, WAR

*War is often thought of as something accidental, a sudden storm in a clear sky ... The contest by force of arms is an extension and consequence of an underlying contest going on at all times in other fields.*

SPGB, *War and the Working Class*, 1936

Since September 11th, when terrorists hijacked passenger aircraft and attacked the World Trade Centre and the Pentagon, causing some 7,000 horrific deaths, newspapers have carried acres of newsprint expressing revulsion and shock. Churches filled, flag factories worked overtime.

President Bush declared "war on terrorism", a "crusade". Wild West-style posters, with "prime suspect" Osama bin Laden's picture, were soon posted in American cities, and the Wild West lynch-mob mentality led to many attacks in the US and racist parts of Britain on individuals who may have looked like Arabs. Predictably, the event was used by the BNP and similar groups to whip up racist, xenophobic hysteria.

All wars are horrific but terrorism has its own special horror. All wars hurt innocent people, whether as targets or as 'collateral damage'. Socialists are opposed to wars and terrorism, rooted as they are in the conflicts of capitalism. We oppose arguments - whether based on religion, nationalism or any other ideology - used to justify mass murder. What Socialists can and should do is explain how capitalism gives rise to terrorism and war. We argue that only by ending the capitalist system can humanity be rid of the terror and waste of war.

### The 'prime suspect'

Hours after the attack, Bush and his spokesmen were pointing the finger at Osama bin Laden, located, maybe, somewhere in Afghanistan. From this it was



a short step to declaring war on the Taliban regime which "harboured terrorism". Three weeks later, the Americans were still unable to produce any concrete evidence of a link between bin Laden and the attacks. When Blair did release the evidence **The Independent** noted "*this evidence would not convict in court - but it does justify a limited war*" (5 October 2001).

However, in July, two months earlier, senior American diplomats discussed "*some military action*" against the Taliban at a Berlin meeting with Russian, Iranian and Pakistani diplomats (**Guardian**, 22 September 2001). Whoever actually was responsible for the September 11th attacks, the US government already planned to attack Afghanistan and topple the Taliban regime.

There is no doubt that the Taliban regime is ruthless, but there are many nasty and terrifying regimes in the world, many of them supported by the United States.

As the novelist, Joseph Conrad, pointed out: "*the terrorist and the policeman both come from the same basket*" (**The Secret Agent**, 1907). The Taliban started as Mujahideen: Afghans in refugee camps recruited and armed to fight against the Soviet troops. The very idea of a holy war or jihad was apparently revived by the US in this late phase (1979-89) of the Cold War.

*The notion of jihad or holy war had almost ceased to exist in the Muslim world after the 10th century until it was revived, with American encouragement, to fire an international pan-Islamic movement after the Soviet invasion of Afghanistan in 1979 ... there was a terrible legacy. Afghanistan was left awash with weapons, war-lords and extreme religious zealotry* (**Economist**, 15 September 2001).

Likewise the funding of bin Laden's Islamic networks came from the US, via the CIA, using the Bank of Credit and Commerce International for its money-laundering services.



*So renowned was BCCT for its part in helping to transport finances for Islamic terrorists that the CIA used it in the 1980s to provide funds for bin Laden's Afghan Mujahidin in the war with Russia (Times, 20 September 2001).*

Both bin Laden's shadowy networks and the Taliban regime are creatures spawned by American Cold War foreign policy. For ten years, Afghanistan was used as a battleground by great powers just as it had been in the 1920s when Russia and Britain fought for control over this strategic region.

### **Why us? Why US? Why**

Whilst ordinary Americans are bewildered at being attacked, "*Why should anyone hate us so?*", the fact is that US foreign policy is dictated by capitalist interests, riding roughshod over the concerns of other people and making many enemies.

It is not only Islamic groups who hate the US. American policy on '*national missile defence*', on climate change, and above all its economic domination of poorer countries, forcing governments to accept whatever is in American interests: all this causes resentment and anger in many countries.

A major factor in this was the huge growth in '*Third World*' debt. As John Pilger noted, this took off in 1981 when:

*President Reagan embarked on the biggest peacetime military arms spending programme in American history.*

*With finance borrowed on the international money markets, this led to a rapid rise in interest rates and the over-valuation of the dollar. As money then being borrowed from British and other Western banks by Third World Countries was in dollars, the cost of 'debt-servicing' accelerated, causing a 'debt crisis' that has seen government after government lose its economic*

sovereignty to IMF-imposed 'structural adjustment programmes', the notorious SAPs (**Hidden Agendas**, 1998, pp 134-5).

At bottom, the anger against America's policy comes down to capitalist economic interests. Resentment against American dominance is probably behind such terrorist attacks on buildings and institutions, symbolic of US economic empire, backed by military force.

### **Double standards**

While Bush and Blair claim the moral high ground in their 'crusade' against terrorism, many object to their double standards. For decades the US has supported terrorist groups as part of its foreign policy.

*[In Central America] President Ronald Reagan was propping up the right-wing El Salvador junta, whose death squads and National Guard murdered 75,000 of their own people between 1980 and 1991. The Americans were also 'secretly' destabilizing the Sandinista regime in Nicaragua, which had unseated the US-backed dictator Somoza in 1979, by financing the Contras without the approval of Congress. It was the latest instalment in the United States' long history of intervening in its own 'backyard', to control its resources ...*

*[In 1985] money from illegal American arms sales to Iran was being redirected to the Contras and the United States imposed a trade embargo against Nicaragua, in an effort to bring the Sandinistas to their knees (Anthony Hayward, **In the name of Justice - The Television Reporting of John Pilger**, 2001, pp 316, 325).*

That too is terrorism. So too is the USA's blackmailing of weaker countries to vote its way at the UN, using withdrawal of food aid as a

weapon of coercion. Now, as before the Gulf War, it uses threats of economic sanctions to force states into line. Foreign policy can also kill innocent people: that too is terrorism.

US policy is driven by the interests of its capitalist class, with its dominance over world markets, exercised through global institutions and backed by armed force. Capitalism is a global system of competing nation-states all fighting by fair means or foul to get a bigger share of the social wealth produced by the working class.

Within each nation-state there are conflicts of interests which may lead to internal terrorist attacks (eg Oklahoma City, the IRA, etc). But terrorists do not oppose capitalism, the class system and production for profit - the system which causes competition and conflict, and the hardships and oppression inflicted by the rich and powerful on the poor and weak.

Ours is an unhappy world where millions of desperate people are driven from their homes by hunger, fear and war. It is time the working class organised to change this world for the better and abolished the class system which causes poverty, war and terrorism. We can only do this by uniting democratically in an international, class-conscious, political movement for World Socialism.

The working class are the victims of terrorist atrocities, just as we are in wars. We have no interest at stake in supporting them, whatever the alleged justification.

The real issue in the Middle East, as ever, is the determination of the rich countries, especially America, to control the world production of oil, which by a fluke of Mother Nature and geology seems to be the main tradeable asset of most states in the Middle East. Whatever our horror of terrorist violence, we Socialists know that the real issues at stake are not working class interests. We repeat what we asserted in 1914:

*The Socialist Party of Great Britain pledges itself to keep the issue clear by expounding the CLASS STRUGGLE, and whilst placing on record its abhorrence of this latest manifestation of the callous, sordid, and mercenary nature of the international capitalist class, and declaring that no interests are at stake justifying the shedding of a single drop of working-class blood, enters its emphatic protest against the brutal and bloody butchery of our brothers of this and other lands ...*

(SPGB, Executive Committee, August 1914)

## WAR AND CAPITALISM

Question: Why do wars happen, given that everyone you ask says they are against war, that wars only cause destruction and distress, and never solve any problems?

It is quite a paradox. Politicians all declare they detest war. Governments spend a small fortune on diplomacy in attempts to prevent wars. World institutions, like the United Nations, are funded at best expense in order to prevent wars happening.

Wars are extremely destructive. They cause terrible waste - waste of human lives, waste of economic resources, destruction of whole cities. There are long-term consequences too: survivors who are disabled, or scarred mentally and emotionally by the trauma. The effects of war may handicap them for the rest of their lives. Decades afterwards, people are killed or crippled by landmines.

The list is a long one, but you get the point. So the question is: who could possibly benefit from war?

Or, put another way, *in whose interests are wars fought?* To answer that, we need to show how the capitalist system operates. It is the Socialist contention that modern wars are fought because of the rivalries between various sections of the capitalist class. War being the last resort to resolve these rivalries.

Capitalism is a system where competition, the law of the jungle, is the rule. At one level, there is commercial competition between companies. At another level, the capitalists of one country are in competition with the capitalists of other countries. They compete at every turn: to gain control of key raw materials or mineral resources, to economise on transport and distribution costs, and to organise production so as to produce their commodities as cheaply as possible. They spend a lot on advertising and marketing, to ensure that customers will choose their products or services as against those of their competitors.

S.P.G.B. Pamphlet: **War and Capitalism**, 1996



## LITERATURE AVAILABLE

ALL PRICES ARE  
INCLUSIVE OF  
POSTAGE

**Socialist Studies** - our official journal

Issues Nos: 1 - 41 @ 50p each

**Socialist Principles Explained**

The Object and Declaration of Principles  
25 p.p. Pamphlet 75p

**Banking & Credit Myths**

**A Socialist View** 60p

**Socialist's Handbook** £1

**Four "Questions of the Day" pamphlets:** - 50p each

No.1. Inflation: Cause and Effects

No.2. Unemployment and Recessions.

No.3. Marx - Modern History and Economics.

No.6. The Continuing Trade War.

**The Materialist Conception of History** Price £1

Our pamphlet looks at the theory of the MCH  
and relates it to 20th Century Capitalism.

**War and Capitalism** Price £1

Updated reprint including reference to recent conflicts.

**Women and Socialism** Price 80p

Sixth reprint includes "Whatever happened to Feminism?"

**Marxism in the 21st Century** Price £1

A new pamphlet covering essential aspects of Marxian economics.

**The Communist Manifesto in the 21st Century** Price 80p

**Economic Crises. Special Supplement No. 1.** Price £1

**Economic Crises. Special Supplement No. 2.** Price £1

**Why Capitalism will not collapse** Price 80p

**Trade Unions - Partnership or Confrontation ?** Price 80p

**New Labour - A Party of Capitalism** Price £1

## LITERATURE - SPECIAL OFFER

For an in-depth study of the case of  
The Socialist Party of Great Britain  
we have 3 special offers.

A full set of our Socialist Studies journals (nos. 1-41) for £7.50.

A set of our pamphlets listed above (17 in all) for £10.50

Or all the above listed journals and pamphlets for only £15.00.

## ORDERS TO OUR HEAD OFFICE.

71 Ashbourne Court, Woodside Park Road, London N12 8SB  
(Please make cheques payable to SOCIALIST STUDIES).

- Postage stamps acceptable for individual items -

## LECTURE SERIES 2002

Sunday 20th January

DEFINING TERRORISM, ETC.

Speaker: H. Baldwin

Sunday 3rd February

CAPITALISM -UTOPIAN & SCIENTIFIC

Speaker: R. Lloyd

Sunday 17th February

HOW WE LIVE & HOW WE MIGHT LIVE

Speaker: C. Skelton

Sunday 10th March

IS HUMAN NATURE A BARRIER TO SOCIALISM

Speaker: P. Young

Sunday 24th March - to be arranged

Sunday 14th April

THE FUTILITY OF REFORMISM

Speakers: P. George & C. May

Meetings commence at 3 p.m.  
Marchmont Community Centre  
62 Marchmont Street, London WC1  
(5 mins. Russell Square Tube station  
(Question and Discussion period)

## THE SOCIALIST PARTY OF GREAT BRITAIN

### NORTH WEST LONDON BRANCH

meets at 7.30 pm on the second Thursday in the month  
at Abbey Community Centre, Belsize Road, London NW6.

Secretary C. May, 71 Ashbourne Court, Woodside Park Road,  
London N12 8SB

### CAMDEN / BLOOMSBURY BRANCH

meets at 6 pm on the 4th Tuesday of month at  
51 Argyle Street, London WC1 (5 mins Kings Cross Tube Station).

All meetings are open to the public and visitors are welcome.  
Those wishing to find out more about the Party and its activities  
should contact the Secretary.

### Socialism on the Web

The Socialist Party of Great Britain now has its own web site at  
[www.spgb.org.uk](http://www.spgb.org.uk)

The e-mail address for the party is:  
Socialist Party of Great Britain enquiries@spgb.org.uk

# THE SOCIALIST PARTY OF GREAT BRITAIN

## OBJECT

*The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.*

## DECLARATION OF PRINCIPLES

### THE SOCIALIST PARTY OF GREAT BRITAIN HOLDS:

1. That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.
2. That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.
3. That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.
4. That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.
5. That this emancipation must be the work of the working class itself.
6. That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.
7. That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working class emancipation must be hostile to every other party.
8. The Socialist Party of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

ALL ENQUIRIES AND APPLICATIONS FOR MEMBERSHIP TO...

The Socialist Party of Great Britain,

71 Ashbourne Court, Woodside Park Road, London N12 8SB